

From: Jonathan Marashlian [mailto:jsm@thlglaw.com]
Sent: Thursday, September 21, 2006 11:51 AM
To: 'Michael Shuler'
Subject: FW: Bitwise call
Importance: High

These guys are a bunch of assholes.

Here's the "accommodation" they are willing to give BitWise –

If you pay current outstanding charges, they will immediately credit back appx. \$6,000 in charges upon execution of new ICA.

That's it. That's the accommodation.

They will not budge an inch on pricing. I should have known this, but they haven't budged an inch on pricing since day 1. They are either going to cram their pricing down your throat and you'll accept it or they're going to force you to file a complaint and arbitrate. Now that we're outside the 160 negotiation window, they are also going to claim that if we file for arbitration that we are precluded from seeking it. Now, I tend to disagree and indicated I believe we can prove that GRC voluntarily extended the negotiation window. But they do have a point and I can't guarantee success on this issue.

Anyhow, the options before you are:

1. Accept offer and sign the agreement, price list & CLEC guide tomorrow;
2. Refuse to accept and prepare to litigate before ICC; which entails the following:
 - a. GRC will immediately terminate existing ICA;
 - b. GRC will begin charging you tariff pricing for existing & new customers;
 - c. If we file for Arbitration and succeed in maintaining the arbitration (i.e., overcome their argument that 160-day window closed), then GRC will have to revert to ICA pricing while arbitration proceeding is pending;
 - d. If we file for Arbitration and GRC succeeds, then we're obligated to pay tariff pricing and any disputes become ripe for payment.
3. Accept offer and sign agreement and beat these guys into the ground in the marketplace (options 1 and 3 are really the same, I just wanted you to know who's side I'm on ☺)

Please let me know how you want to proceed. We have until 24 hours from now to accept or reject their proposal.

Jonathan

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From: Stephen Murray [mailto:murrays@madisonriver.net]
Sent: Thursday, September 21, 2006 11:04 AM
To: 'jsm@thlglaw.com'
Cc: David Rudd--GR
Subject: Bitwise call

Jonathan, I neglected to set up a bridge. However, we really do not need one, as I can call and conference in David... I just tried calling you and got the V/M system.

Also, instead of faxing the AT&T and VZ price lists, I had to over-nite them, as I tried to fax them to you several times.

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